

1 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
A Limited Liability Partnership
2 Including Professional Corporations
MICHAEL H. AHRENS, Cal. Bar No. 44766
3 ORI KATZ, Cal. Bar No. 209561
MICHAEL M. LAUTER Cal. Bar No. 246048
4 TIMOTHY C. PERRY, Cal. Bar No. 248543
Four Embarcadero Center, 17th Floor
5 San Francisco, California 94111-4106
Telephone: 415-434-9100
6 Facsimile: 415-434-3947

7 Attorneys for ARRIVA PHARMACEUTICALS, INC.

8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 (SAN FRANCISCO DIVISION)

11 On Appeal from the United States Bankruptcy Court
for the Northern District of California
12 Hon. Edward D. Jellen

13 ALPHAMED PHARMACEUTICALS
CORP.,
14
Claimant-Appellant,
15
v.
16 ARRIVA PHARMACEUTICALS, INC.,
17
Reorganized Debtor-
18 Appellee.

No. 08-01279-SI

**DECLARATION OF M. SUE PRESTON
IN SUPPORT OF REPLY TO
ALPHAMED'S OPPOSITION TO
MOTION TO DISMISS AS MOOT THE
APPEAL OF ALPHAMED
PHARMACEUTICALS CORP. OF THE
PLAN CONFIRMATION ORDER**

Date: May 23, 2008
Time: 9:00 a.m.
Location: Courtroom 10, 19th Floor
450 Golden Gate Ave.
San Francisco, CA 94102

1
2 I, M. Sue Preston, declare as follows:

3 1. I am the President and CEO of Arriva Pharmaceuticals, Inc., a California
4 corporation ("Arriva"), the reorganized debtor-appellee in this case. I make this
5 declaration in that capacity. Except for those statements made upon information and
6 belief, the following facts are based upon my personal knowledge and if called to testify, I
7 could and would competently testify to such facts. As to those statements made upon
8 information and belief, I believe them to be true.

9 2. In this declaration I will update my prior declaration regarding: (a) certain of
10 the forty executory contracts Arriva assumed on the Effective Date of its Plan, (b) the
11 payments Arriva made after the Effective Date of its Plan, and (c) some of Arriva's recent
12 activity and plans for the near future.

13 CONTRACTS ASSUMED ON THE EFFECTIVE DATE

14 3. In my prior declaration I referred to the contracts Arriva "assumed" under its
15 Plan. In the paragraphs that follow I will update and detail my prior discussion with
16 respect to certain of Arriva's contracts. A list of all of the assumed contracts is set forth on
17 a schedule Arriva filed with the bankruptcy court. A copy of that schedule (Amended
18 Schedule G) is attached to this declaration as Exhibit A. Amended Schedule G sets forth
19 the names and addresses of the contracting parties. As can be seen from the addresses,
20 many of the contracting parties are outside of the United States. As a Reorganized Debtor,
21 Arriva agreed as part of its Plan to "assume" each of these contracts as of the Effective
22 Date of the Plan. We had the choice to "reject" these contracts and treat them as
23 terminated. But, since we assumed them, we were obligated to perform under these
24 contracts when the Plan became effective. The Effective Date was February 13, 2008. On
25 and after the Effective Date we notified each of the contracting parties listed on Amended
26 Schedule G that we had become a "Reorganized Debtor," were continuing to operate, and
27 that we would perform under their contracts. The third parties to these contracts have
28 relied on our assumption of the contracts. Instead of going over each of the forty contracts

1 in this declaration, I will instead summarize in the paragraphs below some of the contracts
2 that were assumed, and the actions that both Arriva and the third party to the contract have
3 taken since February 13, 2008 (the Effective Date of the Plan). Following is that
4 summary:

5 a. Prometic BioSciences Inc. ("Prometic") – Shareholders Agreement.

6 Arriva's shareholder agreement with Prometics contemplates a
7 collaboration between the two parties in what is essentially a joint
8 venture. On April 5, 2008, Arriva sent a letter to Prometic regarding
9 the tolling of certain deadlines under the shareholder's agreement.

10 b. Biochemie GmbH – Manufacturing Agreement ("Biochemie") and
11 Baxter Healthcare Corp. ("Baxter") – Termination Agreement.

12 Biochemie's successor in interest under this agreement is Sandoz AG,
13 an Australian company. The royalty conditions under these
14 agreements are still effective and the parties continue to perform their
15 respective obligations.

16 c. Pyramid Laboratories, Inc. ("Pyramid") – Analytical Testing. In
17 addition to amounts already paid, Arriva will pay Pyramid tens of
18 thousands of dollars for additional testing services over the next year,
19 including significant payments for studies on material manufactured
20 by QSV (as defined below). Pyramid has ordered and will continue to
21 order reagents (these are fluids that facilitate the testing process) and
22 gear up in terms of equipment and personnel in order to accommodate
23 Arriva's needs.

24 d. QSV Biologics Ltd. ("QSV") – Master Service and Supply

25 Agreement. Arriva and QSV are parties to a master service and
26 supply agreement. QSV is based in Canada and runs its
27 manufacturing operation from Canada as well. Under the agreement
28 between the parties, QSV manufactures and provides clinical rAAT to

1 Arriva. That process is complex, time-consuming and labor intensive.
2 It also requires specialized equipment and personnel. Since the
3 Effective Date, Arriva has paid \$1,209,306.08 to QSV under the
4 manufacturing agreement. Absent confirmation of the Plan, none of
5 those amounts would have (or could have) been paid. Arriva is
6 scheduled to pay an additional \$200,000 to QSV under the existing
7 agreement in the near future. Even this month (May 2008) Arriva and
8 QSV are gearing up for Arriva's next manufacturing campaign that
9 will supply highly-purified recombinant alpha-one antitrypsin for the
10 clinical trials that will start in early 2009. QSV has hired and will hire
11 and train new employees, and reserve laboratory and employee time
12 for this project. Furthermore, if Arriva attempted to stop the process
13 at this point, QSV would not be able to fill the manufacturing slots
14 allotted for Arriva in such a short period of time. Contract
15 manufacturing organizations have their manufacturing slots booked
16 from 9 to 18 months in advance.

- 17 e. University of Florida – Clinical Research and Laboratory Services
18 Agreement. Under its agreement with the university, Arriva has been
19 working with Dr. Mark Brantly regarding the preparation of
20 manuscripts for publication. Dr. Brantly previously reviewed two
21 draft manuscripts on the clinical trials conducted under his auspices.
22 The publication of manuscripts is essential in the field of drug
23 development because it allows the outside world to evaluate a drug's
24 success in the context of peer review. I have worked directly with Dr.
25 Brantly in the past and intend to continue working with him on future
26 manuscripts. These manuscripts are widely circulated, evaluated and
27 relied upon by thousands of professionals throughout the world.
28

1 f. Chiron Corporation ("Chiron") – Sub-License Agreement. Arriva has
2 a non-exclusive in-license from Chiron which provides for certain
3 royalty payments to be made to Chiron through 2014.

4 PAYMENTS MADE SINCE THE EFFECTIVE DATE

5 4. Arriva has made payments approximating \$5 million since the Effective Date
6 of the Plan. Those payments are detailed on the list attached to this declaration as
7 Exhibit B. The list shows 86 different recipients. I anticipate that additional payments
8 will be made between the date of this declaration and the date of the hearing on the
9 Motion.

10 ARRIVA'S RECENT ACTIVITY AND NEAR-TERM PLANS

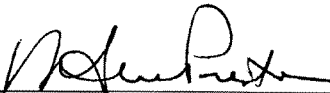
11 5. Several third parties entered into new contracts with Arriva after the
12 Effective Date. Significantly, Arriva entered into a consulting agreement with Dr. Asger
13 Dirksen in Copenhagen, Denmark. Under that agreement, Dr. Dirksen agreed to act as
14 Arriva's principal investigator in Europe. He recently started providing services to Arriva
15 and is owed payments on account of his work. Arriva also entered into consulting
16 agreements with Dr. Charlie Strange regarding clinical development of protease inhibitors
17 for respiratory diseases, Frank Schlier for consulting on computer infrastructure, especially
18 for clinical development activities, and John Gallagher regarding public relations. They
19 have started working under their agreements and are owed payment.

20 6. Arriva also recently engaged two new law firms: Covington & Burling LLP
21 in connection with corporate matters, and Goodwin Proctor LLP in connection with
22 intellectual property. Those firms recently provided professional services to Arriva after
23 the Effective Date and they continue to advise Arriva as of the date of this declaration.

24 7. Arriva's inhaled rAAT program for the treatment of hereditary emphysema is
25 currently the most advanced therapeutic program for this type of therapy worldwide.
26 Hereditary emphysema patients and their physicians are familiar with the potential for
27 AAT replacement therapy wherein the drug is delivered directly to the lung. They are
28 fully aware that the current treatment, which involves weekly infusion of plasma-derived

1 AAT is not patient-friendly and, because of manufacturing and pricing constraints, does
2 not satisfy the global demand for product. Accordingly, a group of key global thought
3 leaders, and the board (the "Board") that oversees large international patient registries, has
4 invited Arriva to present their positive clinical results and future plans at an upcoming
5 international conference on pulmonary disease and new therapeutic strategies for the
6 treatment of pulmonary disease. Arriva will present data on its latest round of
7 manufacturing of clinical grade product and its detailed plans for clinical development in
8 this disease area. Members of the Board have already made plans and allocated valuable
9 human resources to considering Arriva's program as the way forward for the treatment of
10 hereditary emphysema. This is based on Arriva's assurances that it will be able to continue
11 its clinical research. Following Arriva's presentation, the Board will make
12 recommendations related to the use of the registry data for enrollment of patients into
13 Arriva's upcoming clinical trials. These recommendations, which are based on Arriva's
14 ability to continue its clinical trial program in an unencumbered manner, will affect the
15 resources committed by the leading pulmonary physicians and their universities that will
16 be involved in the clinical trials and, more importantly, the many hereditary emphysema
17 patients who have been diagnosed with a fatal disease for whom no therapy is currently
18 available.

19 I declare under penalty of perjury under the laws of the United States of America
20 that the foregoing is true and correct. Executed on May 9, 2008, at Alameda, California.

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23 M. SUE PRESTON
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EXHIBIT A

1 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
2 A Limited Liability Partnership
3 Including Professional Corporations
4 MICHAEL H. AHRENS, Cal. Bar No. 44766
5 ORI KATZ, Cal. Bar No. 209561
6 MICHAEL M. LAUTER, Cal. Bar No. 246048
7 Four Embarcadero Center, 17th Floor
8 San Francisco, California 94111-4106
9 Telephone: 415-434-9100
10 Facsimile: 415-434-3947

11 Attorneys for ARRIVA PHARMACEUTICALS, INC.

12
13 UNITED STATES BANKRUPTCY COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 OAKLAND DIVISION
16

17 In re

Case No. 07-42767

18 ARRIVA PHARMACEUTICALS, INC., a
19 California corporation,

Chapter 11

20 Debtor.

**DEBTOR'S AMENDED: (1) SCHEDULE B,
AND (2) SCHEDULE G**

21 Tax ID: 94-3287067
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1 Arriva Pharmaceuticals, Inc. (the "Debtor") amends its Schedule B (personal
 2 property) and Schedule G (executory contracts and unexpired leases). The Debtor's
 3 Amended Schedule B is attached to this filing as Exhibit 1, and the Debtor's Amended
 4 Schedule G is attached to this filing as Exhibit 2.

5 A summary of the changes to the amended schedules is set forth below.

6 Summary of Changes to Schedule B

7 The Debtor made two changes to Schedule B. First, the Debtor listed a previously
 8 unscheduled claim for costs against Alphamed Pharmaceuticals, Corp., in the approximate
 9 amount of \$234,318.13, in the action titled Alphamed Pharmaceuticals Corp. v. Arriva
 10 Pharmaceuticals, Inc. et al., U.S.D.C., S.D. Fla., Case No. 03-20078-CIV-
 11 ALTONAGA/TURNOFF. This claim appears at Paragraph 21 of Attachment B to the
 12 Amended Schedule B.

13 Second, the Debtor listed certain personal property (specifically, rAAT bulk
 14 therapeutic product) stored in Italy and the United States which had been inadvertently
 15 omitted from its original schedules. The personal property now appears at Paragraph 35 of
 16 Attachment B to the Amended Schedule B.

17 Summary of Changes to Schedule G

18 The Debtor's Amended Schedule G eliminates certain contracts and leases which
 19 should not have been included on the Debtor's original Schedule G. The eliminated
 20 contracts and leases are as follows:

21 ADP, Inc. – contract for payroll services
 22 Legacy Partners I Alameda, LLC – office lease
 23 John McDonald – agreement regarding business development
 24 Trail Holdings, Ltd. – agreement regarding investor relations and development

25 In addition, Amended Schedule G now includes two agreements that the Debtor
 26 should have listed on its original Schedule G. Those two agreements are as follows:

27 Dr. Allan Wachter – agreement and release
 28 M. Sue Preston – employment agreement

1 The Amended Schedule G also reflects that CIT Technology and Financial
2 Services, Inc. is the successor in interest under a copy machine lease with the Debtor dated
3 as of September 20, 2004.

4 Notice

5 The Debtor will serve its Amended Schedule B and Amended Schedule G on (1) the
6 parties affected by the changes described above, and (2) parties who have requested notice
7 in this case.

8
9 Dated: December 19, 2007

10 Respectfully submitted,

11 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
12

13 By /s/ Michael H. Ahrens
14 MICHAEL H. AHRENS
15 Attorneys for the Debtor Arriva Pharmaceuticals, Inc.
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EXHIBIT 1

Form B6B
(10/05)In re Arriva Pharmaceuticals, Inc.,
DebtorCase No. 07-42767
(If known)**SCHEDULE B - PERSONAL PROPERTY**

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." In providing the information requested in this schedule, do not include the name or address of a minor child. Simply state "a minor child."

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	H U S B A N D W I F E J O I N T C O M M U N I T Y	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITH- OUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
1. Cash on hand.		Petty Cash		521.00
2. Checking, savings or other financial accounts, certificates of deposit or shares in banks, savings and loan, thrift, building and loan, and home-stead associations, or credit unions, brokerage houses, or cooperatives.		See Attachment B.		1,293,819.00
3. Security deposits with public utilities, telephone companies, landlords, and others.		Certificate of Deposit with Silicon Valley Bank		400,000.00
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books; pictures and other art objects; antiques; stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c); Rule 1007(b))	X			

American LegalNet, Inc.
www.USCourtForms.com

Form B6B-Cont.
(10/05)In re Arriva Pharmaceuticals, Inc.,
DebtorCase No. 07-42767
(If known)**SCHEDULE B - PERSONAL PROPERTY**
(Continuation Sheet)

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND/WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITH- OUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X	See Attachment B.		
13. Stock and interests in incorpo- rated and unincorporated businesses. Itemize.				
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and non- negotiable instruments.	X			
16. Accounts receivable.		Due from deferred sale of equipment to QSV Biologics Ltd.		219,004.00
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercis- able for the benefit of the debtor other than those listed in Schedule A - Real Property.	X	See Attachment B.		0.00
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.				

American LegalNet, Inc.
www.USCourtForms.com

ATTACHMENT B (to Amended Schedule B)

2. Money Market Account – State Street Bank & Trust Company - \$1,273,108
Operating Account – Silicon Valley Bank - \$11,389
Overnight "Sweep" Account – Silicon Valley Bank \$0.00
13. 100% ownership interest in Avirra, Inc., a California corporation, and

Partial interest in a corporation formed in and under the laws of Quebec originally known as 9076-1339 Quebec Inc., and also known as Arriva-Prometic, Inc., AlphaOne-Prometic, Inc. and "Newco."
21. Interest in \$17 million-plus judgment obtained by Allan Wachter M.D., in *Wachter, et al., v Lezdey et. al.*, Superior Court of Arizona, Maricopa County, No CV 99-09334.

Claim for costs against Alphamed Pharmaceuticals, Corp., in the approximate amount of \$234,318.13 in the action titled *Alphamed Pharmaceuticals Corp. v. Arriva Pharmaceuticals, Inc. et al.*, U.S.D.C., S.D. Fla., Case No. 03-20078-CIV-ALTONAGA/TURNOFF.
22. See list of intellectual property on next 2 pages.
35. rAAT bulk therapeutic product (the "Product") stored in UK – value unknown
Product stored in Italy – value unknown (stored with Patheon Italia S.p.A)
Product stored in the United States (as summarized below) – value unknown
 -approximately 7.2 kg stored at Debtor's headquarters
 -1.25 kg that failed specifications

ARRIVA PHARMACEUTICALS, INC.
INTELLECTUAL PROPERTY SUMMARY

IN-LICENSED PORTFOLIO

Region/ No.	Licensors	Title	Date
ALPHA 1-ANTITRYPSIN			
U.S. Patent 6,124,257	Protease Sciences, Inc.	Method of Treatment	26-Sep-00
U.S. Patent 5,780,440	Protease Sciences, Inc.	Treatment of pulmonary disease with protease inhibitors	14-Jul-98
U.S. Patent 5,618,786	Chiron Corporation	Aerosolization of protein therapeutic agent	8-Apr-97
U.S. Patent 5,532,215	Protease Sciences, Inc.	Antiviral compositions and method of use	2-Jul-96
U.S. Patent 5,492,889	Protease Sciences, Inc.	Treatment of mast cell tumors (lapsed)	20-Feb-96
U.S. Patent 5,376,633	Protease Sciences, Inc.	Method for deactivating viruses in blood component containers (lapsed)	27-Dec-94
U.S. Patent 5,346,886	Protease Sciences, Inc.	Topical alpha-1-antitrypsin, non-aqueous lipid miscible, benzalkonium chloride compositions for treating skin (lapsed)	13-Sep-94
U.S. Patent 5,290,762	Protease Sciences, Inc.	Treatment of inflammation (lapsed)	1-Mar-94
U.S. Patent 5,217,951	Protease Sciences, Inc.	Treatment of inflammation	8-Jun-93
U.S. Patent 5,215,965	Protease Sciences, Inc.	Treatment of inflammation	1-Jun-93
U.S. Patent 5,166,134	Protease Sciences, Inc.	Treatment of allergic rhinitis	24-Nov-92
U.S. Patent 5,134,119	Protease Sciences, Inc.	Treatment of inflammation using 358 substituted alpha-antitrypsin	28-Jul-92
U.S. Patent 5,093,316	Protease Sciences, Inc.	Treatment of inflammation	3-Mar-92
EU Patent EPO 512090	Protease Sciences, Inc.	Treatment of inflammation (lapsed)	2-Jan-97
EU Patent EPO 432117	Protease Sciences, Inc.	Composition for treatment of inflammation (lapsed)	22-Jun-94
EU Patent EP0 626858	Protease Sciences, Inc.	Antiviral Agent (lapsed)	29-Sep-93
Australia Patent 679165	Protease Sciences, Inc.	Treatment of Inflammation (lapsed)	26-Jun-97
Australia Patent 677367	Protease Sciences, Inc.	Antiviral Agent (lapsed)	24-April-97
Canadian Patent 2,019,974	Protease Sciences, Inc.	Treatment of Inflammation (lapsed)	22-Jan-02
Canadian Pat. App 2,091,354	Protease Sciences, Inc.	Treatment of Inflammation (lapsed)	Filed 26-Sep-91
Canadian Patent 2,129,132	Protease Sciences, Inc.	Antiviral Agent	Mar-30-04
Korean Patent 358421	Protease Sciences, Inc.	Topical Preparation with Serine Protease Inhibitors (lapsed)	14-Oct-02

1 of 2

Strictly Confidential
9/13/2007

ARRIVA PHARMACEUTICALS, INC.
INTELLECTUAL PROPERTY SUMMARY
IN-HOUSE PORTFOLIO

Region/ No.	HEWM Docket No.	Title	Date
ALPHA 1-ANTITRYPSIN			
PCT Patent App. PCT/GB03/05049	39042.0027	Compositions and methods for treating inflammatory disease using protease inhibitors	Filed 20-Nov-03
U.S. Patent App. 10/914,863	39042.0012	Production of proteins in yeast	Filed 9-Aug-04
PCT Patent App. PCT/US2004/025983	39042.0012	Production of proteins in yeast	Filed 9-Aug-04
PCT Patent App. WO 2005/048985 A2	39042.0025	Alpha 1-antitrypsin compositions and treatment method using such compositions (with Baxter)	Filed 11-Nov-04
PCT Patent App. PCT/US2004/038081	39042.0026	Dried protein formulations (with Arriva-ProMetic)	Filed 12-Nov. 04
WO 2005/086915 A2	39042.0020	Treatment of chronic obstructive pulmonary disease by low dose inhalation of protease inhibitor	Filed 9-March-04

FUSION PROTEINS AND OTHER			
In-House Portfolio			
U.S. Patent App. 10/025,514	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease (ISSUED JULY 24,2007)	Filed 18-Dec-01
PCT Application PCT/US01/49256	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease	Filed 18-Dec-01
Canadian Pat. App. 2,430,973	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease	Filed 9-Jun-03
Japanese Pat. App. 2002-552164	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease	Filed 18-Jun-03
EU Patent App. 01988344.6	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease	Filed 25-Jun-03
Australia Pat. App. 2002241661	39042.0008	Multifunctional protease inhibitors and their use in treatment of disease	Filed 27-Jun-03
U.S. Patent App. 10/731,375	39042.0014	Methods and compositions for treatment of otitis media	Filed Dec-8-03
PCT Patent App. PCT/US03/39053	39042.0014	Methods and compositions for treatment of otitis media	Filed Dec-8-03

ILOMASTAT			
In-House Portfolio			
U.S. Patent App. 10/848,594		Treatment of respiratory disease associated with matrix metalloproteases by inhalation of synthetic matrix metalloprotease inhibitors	Filed 17-May-04
PCT Patent App. US2004/015449		Treatment of respiratory disease associated with matrix metalloproteases by inhalation of synthetic matrix metalloprotease inhibitors	Filed 17-May-04

EXHIBIT 2

Form B6G
(10/05)

**In re Arriva Pharmaceuticals, Inc.,
Debtor**

Case No. 07-42767

AMENDED SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed.R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT.
9076-1339 Québec Inc. ¹ 6100 Royalmount Montreal, Quebec Canada H4P 2R2	Supply Agreement 04/13/1999
9076-1339 Québec Inc. 6100 Royalmount Montreal, Quebec Canada H4P 2R2	License Agreement 04/13/1999
9076-1339 Québec Inc. ProMetic BioSciences Inc. ProMetic Pharma Inc. 6100 Royalmount Montreal, Quebec Canada H4P 2R2	Non-Competitive Agreement 04/13/1999

¹ References to "9076-1339 Québec Inc." are to the company previously known as 9076-1339 Québec Inc. and also known as: (1) Newco, (2) AlphaOne-ProMetic Inc., and (3) Arriva-ProMetic Inc.

ProMetic BioSciences Inc. 9076-1339 Québec Inc. 6100 Royalmount Montreal, Quebec Canada H4P 2R2	Shareholders Agreement 04/13/1999
Baxter Healthcare Corp. (Purchase Oder) One Baxter Way Westlake Village, CA 91362	Documentation Transfer 07/11/2007
Baxter Healthcare Corp. 550 North Brand Blvd. Glendale, CA 91203 Biochemie GmbH Biochemiestrasse 10 A-6250 Kundl/Austria	Manufacturing Agreement for AAT 11/10/2000
Baxter Healthcare Corp. One Baxter Parkway Deerfield, IL 60015	Termination Agreement with transition conditions and royalty agreement 03/24/2006
CIT Technology and Financial Services, Inc. PO Box 550599 Jacksonville, FL 32255	Copy Machine Lease 09/20/2004
David Madden P.O. Box 664 Orinda, CA 94563	Finance & Administration, Treasurer 01/16/2007
Dr. Philip J. Barr Hillcrest Advisors LLC 6114 LaSalle Avenue, Suite 602 Oakland, CA 94611	Chief Scientific Officer, Secretary 05/03/2006
Fisher Clinical Services Inc. 7554 Schantz Road Allentown, PA 18106-9032 Fisher Clinical Services UK Langhurstwood Road Horsham, West Sussex England RH12 4QD	Packaging of Clinical Trial Items and Related Services 03/07/2005

W02-WEST FKA400612391.1

-2-

Fisher Clinical Services UK (Purchase Order) Langhurstwood Road Horsham, West Sussex England RH12 4QD	GMP Storage for Clinical Supplies 06/12/2006
GE Ionics, Inc. Attn: Contracts Administrator 5900 Silver Creek Valley Road San Jose CA 95138-1009	Water Purification Service/Maintenance 06/01/2007
Ife Tayo TL Bonner-Payne 1019 Wood Street Oakland, CA 94607	Documentation Control 03/01/2007
Kertzer's Heating & Air Conditioning, Inc. P.O. Box 304 Livermore, CA 94551	HVAC Maintenance 08/01/2006
Martin Lee 3941 Eureka Drive Studio City, California 91604	Biostatistician 03/10/2005
Marvin Garovoy, M.D. 9 Dutch Valley Lane San Anselmo, CA 94960	Acting Chief Medical Officer 01/11/2007
MDS Pharma 6, avenue de la Cristallerie 92316 Sevres Cedex France	Supports regulatory filings in Europe 08/08/2006
NewCal 2366 Buskirk Avenue Pleasant Hill, CA 94523	Copy Machine Maintenance Agreement 09/03/2004
Patheon Italia S.p.A (Purchase Order) 110, Viale G.B. Stucchi 20052 Monza (MI) Italy	Destruction of Materials 02/22/2007

W02-WEST:FKA400612391.1

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Patheon Italia S.p.A Attn: Aldo Braca, Managing Director 110, Viale G.B. Stucchi 20052 Monza (MI) Italy Baxter Healthcare Corp. 24 Lange Allee A-1221 Wien Austria	Proposal to Lyophilize and Store rAAT 12/05/2003
Philip A. Pemberton, Ph.D. 439 Midway Avenue San Mateo, CA 94402	Chief Technical Officer 01/30/2007
Protease Sciences, Inc. 1034 Laurel Oak Road, Suite 4 Voorhees, NJ 08043	License Agreement for IP, together with all amendments 04/16/1998
Pyramid Laboratories, Inc. (Purchase Order) 3589 Cadillac Avenue Costa Mesa, CA 92626	Analytical Testing 08/22/2007
QSV Biologics Ltd. Terry Saxton, Executive VP & CFO 1938-94 St., Edmonton Research Park Edmonton, Alberta T6N 1J3	Master Service and Supply Agreement 01/17/2007
Richard S. Schwartz, M.D. 1325 Howard Avenue, PMB 712 Burlingame, CA 94010	Medical Writing 10/23/2006
Richard Turegano 25853 Westview Way Hayward, CA 94542	Technical Development 03/01/2007
Thermo Electron Corp. 401 Millcreek Road PO Box 649 Marietta, OH 45750	Freezer Maintenance 10/01/2006
Track Computers Cord Neal 231 Fallon Street Oakland, CA 94607	Computer Backup Contract 07/01/2005

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Track Computers Cord Neal 231 Fallon Street Oakland, CA 94607	Computer Server Maintenance 12/30/2003
Track Computers Cord Neal 231 Fallon Street Oakland, CA 94607	Printer Maintenance Contract 12/30/2003
University of Florida 219 Grinter Hall Gainesville, FL 32611	Clinical Research and Laboratory Services Agreements 07/19/2002 (and various other dates)
VDK Architects 360 Seventeenth Street Suite 210 Oakland, CA 94612	Architect Services 08/19/2005
Waters Corporation Mailstop SA 34 Maple Street Milford, MA 01757	HPLC Maintenance 09/12/2006
Chiron Corporation 4650 Horton St. Emeryville, CA 94608	Sub-License Agreement
Imperial College Professor Terry D. Tetley London, UK	Research Agreement
Dr. Allan Wachter c/o KORNFIELD, PAUL & NYBERG, P.C. Attention: Chris Kuhner and Eric A. Nyberg 1999 Harrison St., Suite 2675 Oakland, CA 94612	Agreement and Release
M. Sue Preston Arriva Pharmaceuticals, Inc. 1010 Atlantic Avenue Alameda, CA 94501	Employment Agreement

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EXHIBIT B

Arriva Pharmaceuticals Payments
From 02/13/2008 through 05/09/2008

Payee	Total Payments
Advanced Chemical Transport	458.00
Akerman, Senterfitt & Edison, P.A.	48.07
Alameda County Industries	590.90
Alameda Power & Telecom	8,859.83
Alexander Stafford	20,002.85
Alpha-1 Foundation	17,500.00
Arrowhead Mountain Spring Water	228.15
AT&T	2,346.25
ATCC	2,700.00
Bay Area Bioscience Association	750.00
Bay Area Modular	900.00
BIO	1,000.00
C&R Cleaning Services	1,620.00
CIT Technology Financial Services, Inc.	552.46
Cobra Biologics	41.95
Computer Patent Annuities	21.71
Costco Wholesale	130.00
Covington & Burling LLP	9,530.91
Creative Mediapulse Technologies Pvt. Ltd	2,000.00
D&B	136.00
David Madden	58,237.56
Department of Labor	750.00
Fast Imaging Center, Inc.	21.64
Federal Express	923.08
Fennemore Craig	49.81
Fisher Clinical Services UK Limited	1,441.91
Fisher Clinical Services, Inc.	50.00
Franchise Tax Board	1,600.00
Gary Wagner	1,623.75
Glenn Rasmussen Fogarty & Hooker, PA	1,015.24
Goodwin Procter LLP	10,296.22
Gregory Ikonen	302.41
HealthNet	6,143.97
Heffernan Insurance Brokers	75,994.38
Heller Ehrman	88,946.46
Hillcrest Advisors LLC	87,500.00
Infobond, Inc.	13.92
InterCall	565.80
International Quantitative Consultants	1,000.00
Invitrogen Life Technologies	393.68
Ionics	1,236.92
Jennifer Larson	2,760.00
John M. Barberich	6,248.49
KPMG, LLP	3,500.00
Kurtzer's Heating & Air Conditioning, Inc	1,207.36
Lancaster Laboratories, Inc.	11,057.50
Legacy Partners I Alameda, LLC	107,594.40

Payee	Total Payments
Martha S Preston	109,629.78
Marvin R. Garovoy, MD (Clinical Consultan	2,100.00
Morrison and Foerster	2,719.67
MPM Asset Management	485.78
NewCal Industries	407.04
Office Depot	351.58
Payroll Taxes (California)	22,293.29
Payroll Taxes (Federal)	94,185.19
PDQ Print Copy Mail	811.34
PG & E	2,292.92
Philip A. Pemberton, Ph.D.	37,461.60
Philip J. Barr, Ph.D.	5,182.57
Pillsbury Winthrop Shaw Pittman LLP	53,096.65
Pitney Bowes, Inc.	97.83
PR Newswire	603.25
Principal Financial Group	1,385.19
Protection One	558.00
QSV Biologics	1,209,306.08
QuadraMed Limited	1,130.73
Rainin	135.23
Rebecca S. Wheeler	17,653.64
Recall	129.46
Robert F. Williamson III	504.02
RS Calibration	2,166.00
Sacks Tierney P.A. Lawyers	504.02
Sheppard Mullin Richter Hampton	918,383.56
Sigma-Aldrich, Inc.	284.50
Silicon Valley Bank	910.03
Silicon Valley Web Hosting	360.00
Sprint PCS	398.26
Tax Collector, County of Alameda	27,593.03
T-Mobile	1,838.17
Track Computer Center	16,473.07
U.S. Trustee	6,500.00
Vision Service Plan	141.06
VWR International	1,942.99
Waters Corporation	16,152.67
Wendel Rosen Black & Dean	85,720.79
World Courier	103.13
Plan Expense Reserve Escrow	115,000.00
Unsecured Claims Pool Escrow (Net Amount)	773,086.32
Debtor-in-Possession Loan Repayment (Principal)	1,500,000.00
Debtor-in-Possession Loan Repayment (Interest)	41,333.36
Grand Total	<u><u>5,611,303.38</u></u>